

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT X828

Date of Final Decision: 28 March 2022

Party Details

Customer:

Company:

Complaint

The customer complains that the company has applied an unfair charging practice throughout the pandemic as metered customers will have had to pay more due to increased water usage whereas customers charged by reference to the rateable value of their homes will not be affected. The customer also complains that he has been harassed and threatened by the company throughout the period of the dispute in an attempt to induce the customer to pay the charges. The customer has also stated that this issue is not part of this application. The customer asks for metered customers to be charged £20.00 per month on a fixed charge basis until the pandemic is over.

Response

The company says that the customer was obliged to make payment in accordance with its Charges Scheme but has insisted on paying £20.00 and therefore incurred arrears. The company has made two credits to the customer's account and offered a third payment to bring his current charges into line with his costs before the pandemic. The company says that it has kept the customer informed about charges incurred and bills due and after the customer's complaint had gone through its complaints process, the company reported the customer to a credit reference agency, about which the customer was notified and which is common practice.

Findings

The customer's complaint that the company's charging scheme is unfair is outside the scope of this Scheme. In respect of the company's approach to the customer's complaint, the customer was billed in accordance with the company's Scheme of Charges and at the time of the application, the company had made two credits to the customer's account and offered a third sum (which was refused) which would have brought the customer's charges to the level that they were before the pandemic. The company has supplied its services to the

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expected standard in this regard. As for the customer's complaint of harassment and threats, although I found in my Preliminary Decision that this fell to be considered within this adjudication and concluded that the company had supplied its services to the expected standard, in light of the customer's repeated assertion in response to my Preliminary Decision that this should not be considered because it has not passed through the company's dispute resolution process, I find that within an adjudication process, I should not decide an issue that the customer does not require to be decided. In my Final Decision, I have therefore made no concluded finding about this.

Outcome

The company does not need to take any further action.

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Case Outline

The customer's complaint is that:

- The customer says that he was contacted about an outstanding balance and raised a complaint about the company's charging practices during the pandemic.
- He says that those on metered charges have been unfairly treated because, as people will have been working from home and washing more, those with meters will have incurred higher bills because they have used more water, whereas those on unmetered charges will not have to pay more.
- The customer says that this is unfair because "as a result of someone following Government, scientific and medical advice which contributed to easing the enormous pressure which was heaped on nurses/doctors/hospitals and to prevent the transmission of a virus which has claimed the lives of over 130,000 people" the company should "have the decency to recognise the actions people took instead of dismissing the work put in by the NHS and trashing those who have passed away as a result of the covid-19"
- During the process of this complaint the customer says that he has been contacted by letter, telephone and text message asking for payment, threatening to tarnish his credit status and threatening debt recovery action. In his response to my Preliminary Decision, the customer has re-iterated that he does not wish a decision to be reached on this because he says that this complaint has not fully passed through the company's complaint resolution process and has not been referred to CCWater.
- The customer would like the company to charge metered customers at a fixed rate of £20.00 per month until the point when the covid virus is declared endemic.

The company's response is that:

- the customer's current balance is £175.43 and he has been billed up to 18 November 2021 on measured charges for the water and services that he has used. His property is not eligible to revert from metered to unmetered charges. The assessed charge that the customer has requested is

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only available for properties where a meter cannot be fitted. The company says that this policy is approved by Ofwat. The company says that it is obliged to charge in accordance with its scheme of charges regulated by Ofwat

- The company says that it has provided additional funding to help customers through the pandemic, the BD scheme and the redacted trust fund which are available to customers meeting required criteria and who are experiencing financial difficulties and struggling to pay water charges.
- The customer has advised the company that he can afford to pay his water charges.
- The company has offered support and set up payment arrangements including raising credits as gestures of goodwill to help to resolve the dispute. These have reduced the customer's charges in line with his pre-pandemic water charges. Credits totalling £90.93 have been raised and a further credit of £69.92 has been offered. The customer has refused this offer. The company says that the charges are correct and payable.
- The company has also set out information about credit reporting. It says that it shares data sharing information on bills and on its website and it has correctly reported outstanding payments in November 2021. The company says that it has called the customer to advise when payments have been due and that letters, texts and phone calls to all customers to alert them about an outstanding balance. The company says it has an obligation to inform customers of their payment collection process and help that is available if customers are in financial difficulties.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

1. Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
2. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing by the company.

In order for the customer's claim against the company to succeed, the evidence available to the adjudicator must show on a balance of probabilities that the company has failed to provide its services to the standard one would reasonably expect and that as a result of this failure the customer has suffered some loss or detriment. If no such failure or loss is shown, the company will not be liable.

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I have carefully considered all of the evidence provided. If I have not referred to a particular document or matter specifically, this does not mean that I have not considered it in reaching my decision.

I have also considered the exchange of views between the parties on the dispute resolution website and the customer's separate comments following the Preliminary Decision.

How was this decision reached?

1. The customer has raised two matters in his application, one relating to the company's charging policy during the pandemic and the other regarding the company's customer services during the complaint. The second complaint was raised, both by detailing the nature of the complaint in his submissions (threats and harassment) and also by saying that this was not required to be considered in this application. The company responded in detail to the customer's complaint about poor customer services.
2. I turn first to the complaint relating to charges.
3. I am mindful that the WATRS Scheme is established to enable customers to raise complaints against water and sewerage undertakers on an individual basis. WATRS is not a regulator. Regulation of the conduct of water companies is within the role of Ofwat.
4. The restricted jurisdiction of adjudicators is set out in the Scheme rules. These state at rule 3.5 that the Scheme cannot be used to determine disputes about matters over which Ofwat has powers to determine an outcome and nor can it be used to determine disputes about the company's commercial practices.
5. These rules, I find, preclude me from considering the fairness of the company's Scheme of Charges, including the application of the Scheme during a pandemic. As the company has set out, it is entitled by law to charge customers for water services and it must publish its Scheme of Charges and charge customers accordingly. This is so that customers will know what they are required to pay. It is for Ofwat to determine whether a Scheme of Charges is fair.
6. It follows from this that, while I empathise with the customer's views about the very considerable practical, emotional and financial hardships caused to individuals by the pandemic, I have no

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powers to consider whether the company's action in continuing to raise charges against its metered customers generally is fair or otherwise.

7. I can consider whether in an individual case, the company has applied the Scheme of Charges and its other policies fairly and in accordance with its stated intentions. This is because such an issue is limited to the situation of an individual customer and is not a challenge to the company's commercial practices.
8. I now turn to the customer's case. I find that the starting point is that an average customer would reasonably expect that the company would have charged the customer in accordance with its Scheme of Charges. There is no evidence that the company has not applied its Scheme of Charges, which, as the customer points out, has resulted in increased bills because he has used more water during this period. Moreover, there is no evidence that the company has published or made any statement suggesting that its Scheme of Charges should be suspended or altered during the pandemic.
9. It therefore follows, I find, that the company has not failed to provide its services to the expected standard merely because it has continued to bill in accordance with the Scheme of Charges, even if the consequence of this is that customers who pay for water in accordance with usage have had to face higher bills during the pandemic. I take into account that customers who are charged in accordance with the rateable value of their home will have been required to pay the usual amount but I find that the fact that there is a disparity between these two billing schemes does not mean that one is fair and one is not: they are different schemes and have different financial consequences for customers.
10. Furthermore, I note that the company has two schemes for customers who are in financial hardship, the redacted and the redacted Fund. These are described in the company's submissions but I do not need to consider these in further detail because there is no evidence that the customer does not have the resources to pay the bills that have been raised. Indeed, the company says that the customer has stated expressly that he can afford to pay but is raising an ethical consideration.
11. Additionally, so far as the customer is concerned, there is no evidence that the company has in fact required him to pay a higher sum than he ordinarily would have done. Although, as the company acknowledges, the bills raised were higher than usual, due to the dispute, the company

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has made goodwill credits to the customer in a sum now totalling £90.93. It has offered a further credit of £69.92 to address the increase in usage, which the customer has refused. The company has, therefore, by the time of the customer's application to WATRS, taken steps intended to place the customer in the same situation as he would have been had he not increased water usage during the pandemic. I find that this concession meets or exceeds the reasonable expectation of an average customer in these circumstances.

12. It follows that I find that the company has not failed to supply its services to the expected standard.
13. The second complaint is that the company has "threatened and harassed" the customer during the complaints process and should have waited for the process to be completed before seeking payment from him, or at least outlined alternatives.
14. As indicated in my Preliminary Decision, the customer stated:

(REDACTED) have tried to encompass both complaints into one but they are completely different issues. Complaint two, will at some stage be forwarded to WATRS if no solution is reached. The reason for this is because, if no solution is reached between myself and (REDACTED) on either or both complaints, the whole situation will end up in court and I will have to show that I have exhausted all avenues in reaching a solution.

15. In the application form, however, the customer stated under the heading "About your complaint" the following:

During the process of this complaint I have been contacted by letter, telephone and text message asking for payment, threatening to tarnish credit status and threatening debt recovery action.

16. On 2 January 2022, the customer raised a further complaint which he stated to the company should be treated as a second complaint. The company has not treated the complaint in this way but has argued that this forms part of the complaint that the customer had already made, namely that the company's charging system is unfair.
17. In my Preliminary Decision, I found that the company's approach to whether there has been one complaint or two was correct. This was because the documentation shows that the customer

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initially raised his complaint in April 2020 in response to the company's request for payment of a bill of £48.33 that had been due for payment in November 2019, before the start of the pandemic, but which had not been paid. The customer responded on 12 April 2020 explaining that he was then on a 4-day week and that he was required to wash his uniform twice per day resulting in increased water usage. The customer said that he wanted to pay £17.50 per week and would not be paying the arrears. Subsequently, the customer agreed that he would pay £20.00, but I find that the company has never agreed to accept that amount on a long-term basis. On 21 April 2020, the customer stated, "You get £20 a month end of, do whatever you like". This was then followed by a lengthy exchange of correspondence over the next 21 months in which the company repeatedly made the point to the customer that his monthly water usage was greater than the amount that the customer was paying. The customer's justification for this was the unfairness of water metering. The company made a £36.00 credit to his account so that the customer could pay £20.00 per month for the following three months and later made a further credit of £54.93 in August 2021. I find, however, that the company has not agreed with the customer's point that its charging method was unfair and has always asked the customer to make greater payments, which the customer has refused to do.

18. Accordingly, I found that this was not two complaints but one because the company had from the outset asserted the customer's liability to pay for bills and the customer had put forward the reason why he would not pay, which went through the company's two-stage complaints procedure and was then considered by CCW.

19. I further found in my Preliminary Decision that the company made its position clear, informed the customer of his outstanding balance from time to time, explained to him why £20.00 per month would lead to a balance of debt due, and explained also that it would not make a special charge in his case. While I note that at one point the company said that it would refer the question of a fixed charge for all meter customers to higher management during the pandemic, it is clear that a fixed charge for meter customers was never agreed. The company responded in good time, and, I find, politely, to the customer's points, assisted him by providing two credits, referred the customer to its hardship schemes on repeated occasions, directed him to a Government scheme which the customer said he was already using and directed him also to a charity that might have been able to assist. It also set from time-to-time payments under its payment plan that the company regarded as sufficient to repay the increasing debt, albeit that the customer always refused this, and I found that the company was entitled to request the customer to discharge his debt and that the actions referred to were those that would be expected by an average customer.

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20. The customer specifically objects in response to my Preliminary Decision, however, to his complaint of threats and harassment being treated as the same complaint and makes clear that he does not want me to reach a decision on whether the company threatened and harassed him by sharing data with a credit reference agency during the course of his complaint about the charges for water during the pandemic. Having read the customer's further submissions, I am persuaded that it is no part of the responsibility of an adjudicator to reach a decision on a matter that a customer says is not part of his application.
21. It follows, therefore, that in my Final Decision I do not reach a decision on the customer's complaint of threats and harassment, but it does not follow that another adjudicator will decide that the customer may bring a further complaint to WATRS. It may be that another adjudicator would need to determine whether rule 2.12 of the WATRS Scheme Rules precludes a further application or whether the customer has raised a separate issue: I can give no indication, one way or another, as to the view that another adjudicator might take.
22. Overall, however, on the basis of the matters that I have taken into account and determined, I confirm that in my Final Decision, my finding is that I am not satisfied that the evidence supports the customer's complaint that the company has failed to supply its services to the expected standard. It follows that I find that the customer is not able to succeed in his claim for a remedy.

Outcome

The company does not need to take any further action.

Claire Andrews

Claire Andrews, Barrister. FCI Arb

Adjudicator

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